

P-404, 421, 430, 407, 405, 426/CP-89-1039 ORDER GRANTING TIME
EXTENSION

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Don Storm
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Chair
Commissioner
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In the Matter of a Petition for
Extended Area Service Between
the Monticello Exchange and the
Minneapolis/St. Paul
Metropolitan Calling Area

ISSUE DATE: January 13, 1992

DOCKET NO. P-404, 421, 430, 407,
405, 426/CP-89-1039

ORDER GRANTING TIME EXTENSION

PROCEDURAL HISTORY

On November 20, 1989, the Commission received a petition for extended area service (EAS) between the Monticello exchange served by Bridgewater Telephone Company and the metropolitan calling area of Minneapolis and St. Paul (MCA). The MCA is served by U S West Communications, Inc. (USWC), GTE of Minnesota, Inc. (GTE Minnesota), Vista Telephone Company (Vista), United Telephone System-Midwest Group (United), and the Scott-Rice Telephone Company (Scott-Rice).

On April 27, 1990, the Minnesota Legislature enacted legislation regulating the installation of EAS in Minnesota. The legislation specifies three requirements which, if met, warrant Commission approval of Monticello's petition for EAS. Minn. Stat. § 237.161 (1990).

On July 3, 1990, the Commission found that Monticello met the first requirement (adjacency) and directed the local exchange company (LEC) serving the Monticello exchange, Bridgewater Telephone Company (Bridgewater), to file a traffic study with the Commission showing whether Monticello met the statute's traffic requirement, i.e. whether 50% or more of the Monticello exchange subscribers made one or more telephone calls to the MCA per month. ORDER REQUIRING FILING OF TRAFFIC STUDY (July 3, 1990).

On August 17, 1990, Bridgewater filed the required traffic study.

On October 1, 1990, the Commission found that Monticello's EAS petition met the second requirement (adequate traffic) and directed the affected telephone companies to file cost studies and proposed EAS rates by November 30, 1990 so that the Commission could proceed to poll Monticello subscribers to determine the third and final requirement (adequate subscriber support). In addition, the Commission directed the Department of

Public Service (the Department) to file its report on those filings by January 14, 1991. ORDER REQUIRING COST STUDIES AND PROPOSED RATES AND ESTABLISHING A COMMENT PERIOD (October 1, 1990).

On January 22, 1991, the Department requested a 60-day extension to file its report.

On February 27, 1991, the Commission issued its ORDER GRANTING TIME EXTENSION, allowing the Department until April 29, 1991 to file its report.

On February 28, 1991, the Department informed the Commission that it could not complete its analysis of the cost studies because Bridgewater and USWC assumed different meet points in calculating their costs and proposed rates. Bridgewater assumed it would be delivering the Monticello EAS traffic to a different meet point than the current toll meet point it shares with USWC. USWC's cost study assumed that the meet point would remain as it is now.

In mid-May 1991, USWC staff verbally informed Commission staff that USWC and Bridgewater had still not agreed on a meet point for telephone company facilities for the proposed EAS route.

On May 30, 1991, the Department asked the Commission for a 90-day time extension to file its report and recommendation. The Department stated that it needed the additional time to analyze the meet point issue contained in the cost studies.

On July 16, 1991, the Commission issued its ORDER REQUIRING NEGOTIATIONS AND ESTABLISHING TIME FRAMES. This Order required USWC and Bridgewater to meet and confer to resolve the meet point issue. If the companies were unable to agree on the meet point, the Order directed them to report their disagreement to the Department by August 16, 1991 and submit their positions to the Department by September 2, 1991. It further required the Department to file a report regarding the meet point issue within 30 days of receiving the second company's filing.

On September 3 and 6, 1991, respectively, USWC and Bridgewater informed the Commission that they had not resolved the matter and they filed summaries of their positions.

On September 17 and 23, 1991, the Department met with the companies. The Department determined that USWC and Bridgewater differed on at least two specific facts affecting this case. Thereafter, the Department sent information requests to the companies. Answers were due October 7, 1991, the same date the Department's comments were due under the July 16, 1991 Order.

On November 19, 1991, the Commission issued its ORDER GRANTING TIME EXTENSION, REQUIRING COOPERATION, AND ENCOURAGING AGREEMENT. This Order granted a 30-day extension to the Department in the hope that the meet point issue could be resolved and a contested case hearing avoided.

On December 20, 1991, the Department requested its fourth extension in this matter, an extension of two weeks.

On January 7, 1992, the Commission met to consider this matter.

FINDINGS AND CONCLUSIONS

Monticello's petition raises significant new EAS issues that are likely to have long-range policy impacts. For example, the Commission's ultimate resolution of the troublesome meet point issue in this case may affect several other EAS petitions where the meet points are disputed. In preparation for that decision, the Commission anticipates a thorough report on these issues from the Department.

The Commission is concerned about the delays that have occurred in this case, but notes that they have been caused by the companies' inability to resolve the troublesome meet point issue. The Commission is determined to secure an appropriate resolution of that and other difficult issues and to avoid, if possible, a contested case proceeding that would cause significant expense to the parties and even more extensive delay. The Department assures that two weeks will provide it adequate time to complete its report and recommendation.

Accordingly, the Commission will grant the Department's request for a two week extension. The Department's report and recommendation will be due within two weeks of the date of this Order.

ORDER

1. The Minnesota Department of Public Service's (the Department's) request for an extension of two weeks for filing its report and recommendation in this matter is granted. The Department shall file its report and recommendation within two weeks of the date of this Order.
2. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Richard R. Lancaster
Executive Secretary

(S E A L)